

**BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA**

DOCKET NO. 2010-____-G

In the Matter of)	
)	
Application of Piedmont Natural Gas)	PETITION
Company, Inc. to Modify Rate Schedule 242)	

Piedmont Natural Gas Company, Inc. ("Piedmont" or the "Company"), through counsel and pursuant to South Carolina Code § 58-5-240 and Commission Rules 103-403 and 103-446, respectfully requests approval by the Public Service Commission of South Carolina ("Commission") of limited modifications of its Rate Schedule 242 (Small General Service – Motor Fuel) needed in order to clarify the applicability and character of service under this rate schedule and to modify the billing terms related to service rendered at the Company's Premises pursuant to this Rate Schedule. The proposed changes to Piedmont's tariff and the explanation for such changes are described herein. Clean and red-lined copies of Piedmont's proposed and current approved Rate Schedule 242 and "Rates and Charges" tariff sheets are attached hereto. Piedmont proposes that these tariff changes become effective November 1, 2010. In support of its proposed tariff changes Piedmont respectfully shows to the Commission the following:

1. It is respectfully requested that any notices or other communications with respect to this Petition be sent to:

Jane Lewis-Raymond
Vice President & General Counsel
Piedmont Natural Gas Company, Inc.
Post Office Box 33068
Charlotte, NC 28233
Telephone: 704-731-4261
jane.lewis-raymond@piedmontng.com
and

Scott M. Tyler
Moore & Van Allen PLLC
100 North Tryon Street, Suite 4700
Charlotte, NC 28202-4003
Telephone: 704-331-2463
scotttyler@mvalaw.com

2. Piedmont is incorporated under the laws of the state of North Carolina and is duly authorized by its Articles of Incorporation to engage in the business of transporting, distributing, and selling natural gas. It is duly domesticated and is engaged in conducting the business above-mentioned in the states of South Carolina, North Carolina, and Tennessee. Piedmont is a public utility under the laws of this State, and its public utility operations in South Carolina are subject to the jurisdiction of this Commission.

3. Piedmont seeks to modify certain provisions of its Rate Schedule 242, Small General Service – Motor Fuel, in order to clarify the applicability and character of service available thereunder and to render it consistent with the manner in which Piedmont is able to bill for service rendered at the Company's Premises. These proposed revisions do not in any way alter the substantive manner in which service is provided or billed to existing Customers under Rate Schedule 242. Rather, these modifications serve to broaden the availability of natural gas as a vehicle fuel, enabling interested Customers to receive service from the Company for natural gas provided as a vehicle fuel from Company Premises locations.

5. Historically, service under Rate Schedule 242 has been provided at the Customer's Premises. Customers under this Rate Schedule typically maintain fleets of natural gas fueled vehicles, and have made the (significant) investment in natural gas compression facilities on their premises in order to fuel their vehicle fleet. Piedmont renders bills to these Customers each month based on separately metered Rate Schedule 242 service to the Customer's Premises.¹

¹ For tax purposes, service under Rate Schedule 242 is separately metered from other gas deliveries to the Customer.

6. Piedmont owns and operates a fast-fill natural gas compression facility located at the Company's Premises in Greenville to serve the fueling needs of Piedmont's own fleet of natural gas fueled vehicles. The Company's fast fill compression facility is equipped with a dispenser that operates much like a gasoline pump at a typical gas station. The quantity of compressed natural gas dispensed in any individual filling session is captured and recorded in units of Gasoline Gallon Equivalent ("GGE"). The dispenser also has a payment card (credit or debit card) unit that can price and bill each individual filling session, again similar to a retail gas station pump.

7. Although the market for compressed natural gas vehicles is small at this time (particularly for non-commercial uses), Piedmont desires to expressly include under its regulated service offerings the distribution and sale of compressed natural gas from natural gas compression facilities located at the Company's Premises. Service under this "gas station model" comports with the existing provisions of Rate Schedule 242, with the exception of the provisions related to payment of bills. Piedmont desires to accept only immediate credit or debit card payment for service rendered at the Company's Premises. As such, Piedmont is proposing a modification to Rate Schedule 242 that distinguishes service metered at the Customer's Premises from that metered at the Company's Premises, and defines the terms for payment of bills for service metered at each location.

8. Piedmont believes that the changes discussed herein are either neutral or beneficial to Customers. The proposed modifications in no way change the applicability and character of service or the manner in which payments are made for Customers currently receiving service under Rate Schedule 242 metered at the Customer's Premises. In other words, existing Rate Schedule 242 Customers (and new customers desiring Customer Premises service) will not be affected by the proposed modification. Instead, the proposed modifications simply clarify that service under this Rate Schedule may also be offered at the Company's Premises, under a specific (and slightly different) billing and payment arrangement.

9. Because the proposed tariff modifications serve to increase the availability of natural gas as a motor vehicle fuel to the using and consuming public, Piedmont submits they are in the public interest and should be approved.

10. Piedmont requests that the modifications to Rate Schedule 242 proposed herein be made effective November 1, 2010.

Respectfully submitted, this the 27th day of September, 2010.

Piedmont Natural Gas Company, Inc.

/s/ Scott M. Tyler
Scott M. Tyler

OF COUNSEL:

Moore & Van Allen PLLC
100 North Tryon Street, Suite 4700
Charlotte, NC 28202-4003
Telephone: 704-331-2463
scotttyler@mvalaw.com

STATE OF NORTH CAROLINA

VERIFICATION

COUNTY OF MECKLENBURG

Pia Powers, being duly sworn, deposes and says that she is Manager, Regulatory Affairs of Piedmont Natural Gas Company, Inc., that as such, she has read the foregoing Petition and knows the contents thereof; that the same are true of her own knowledge except as to those matters stated on information and belief and as to those she believes them to be true.

Pia Powers

Pia Powers

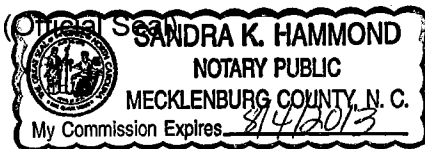
Mecklenburg County, North Carolina

Signed and sworn to before me this day by Pia Powers

Date: September 27, 2010

Sandra K. Hammond

Sandra K. Hammond, Notary Public



My commission expires: August 4, 2013

**RED-LINED
RATE SCHEDULE 242**

RATE SCHEDULE 242
SMALL GENERAL SERVICE – MOTOR FUEL

Applicability

Gas service under this rate schedule shall be separately metered and is available in the area served by the Company in the State of South Carolina to customers for the consumption and/or resale of compressed natural gas as a motor fuel.

Gas service under this Rate Schedule shall be metered at the Customer's Premises, or at the Company's Premises for purposes of providing public access to compressed natural gas filling stations.

Rates and Charges

The rates to be charged for gas service pursuant to this Rate Schedule are set forth on the Company's "Rates and Charges" tariff sheet and may be viewed at the Company's Web Site at www.piedmontng.com. A copy of the "Rates and Charges" tariff sheet is also on file with the Public Service Commission of South Carolina (the "Commission") and at each of the district offices of the Company. Rates are subject to adjustment from time to time with the approval of the Commission. The rates on file with the Commission shall prevail in the event of conflict with those rates viewed on the Company's Web Site.

Highway Use Tax

The rates reflected on the Company's "Rates and Charges" tariff sheet do not include applicable Federal, State and/or local highway motor fuel use taxes and fees. Bills rendered under this rate schedule will include such taxes and fees.

Payment of Bills

Bills are net and due upon receipt. Bills rendered for service provided at the Customer's Premises become past due 15 days after bill date. Bills rendered for service provided at the Company's Premises shall be paid at the time of service with a valid credit or debit card accepted by the Company.

Late Payment Charge

For service provided at the Customer's Premises, a late payment charge of 1½% per month will be applied to all balances not paid prior to the next month's billing date.

Service Interruption and Curtailment

Gas service under this Rate Schedule is subject to the provisions contained with Rate Schedule 206, "Schedule for Limiting and Curtailing Service".

Issued by [Thomas E. Skains, Chairman, President and CEO](#) ~~Ware F. Schiefer, Chief Executive Officer~~

Issued to comply with authority granted by
The Public Service Commission of South Carolina

~~Issued: November 1, 2002~~

Docket No. ~~2002-63-G~~

Issued: September 27, 2010

Effective: November 1, ~~2002~~2010

Applicable Documents Defining Obligations of the Company and Its Customers

Service under this rate schedule is subject to the Rules and Regulations of the Public Service Commission of South Carolina ("Commission Rules") and to the Company's Service Regulations. Among other things, the Commission Rules and the Company's Service Regulations permit the interruption or curtailment of service under certain conditions, including events of *force majeure* and operating conditions. A copy of the Commission's Rules may be obtained from the Public Service Commission of South Carolina, 101 Executive Center Dr., Columbia, SC 29210, upon payment of the applicable fee. The Company's Service Regulations may be obtained at each of the district offices of the Company. Unofficial copies of the Company's Service Regulations are available at the Company's Web Site at www.piedmontng.com.

Issued by [Thomas E. Skains, Chairman, President and CEO](#) ~~Ware F. Schiefer, Chief Executive Officer~~

[Issued to comply with authority granted by
The Public Service Commission of South Carolina](#)

~~Issued: November 1, 2002~~

Docket No. ~~2002-63-G~~

[Issued: September 27, 2010](#)

Effective: November 1, ~~2002~~[2010](#)

CLEAN RATE SCHEDULE 242

RATE SCHEDULE 242
SMALL GENERAL SERVICE – MOTOR FUEL

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Issued to comply with authority granted by

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Docket No.

Issued: September 27, 2010

Effective: November 1, 2010

events of *force majeure* and operating conditions. A copy of the Commission's Rules may be obtained from the Public Service Commission of South Carolina, 101 Executive Center Dr., Columbia, SC 29210, upon payment of the applicable fee. The Company's Service Regulations may be obtained at each of the district offices of the Company. Unofficial copies of the Company's Service Regulations are available at the Company's Web Site at www.piedmontng.com.

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Issued to comply with authority granted by
The Public Service Commission of South Carolina
Docket No.
Issued: September 27, 2010
Effective: November 1, 2010

RED-LINED RATES AND CHARGES

SOUTH CAROLINA RATES AND CHARGES

Residential

Residential Service - Value Rate 201

Monthly Charge		Rate Per Therm	
November - March	\$ 10.00	November - March	\$ 0.90003
April - October	\$ 8.00	April - October	\$ 0.85209

Residential Service - Standard Rate 221

Monthly Charge		Rate Per Therm	
November - March	\$ 10.00	November - March	\$ 1.11117
April - October	\$ 8.00	April - October	\$ 1.11610

Outdoor Gaslight Service - Rate 205

Monthly Charge	\$ 15.00
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SOUTH CAROLINA RATES AND CHARGES

Commercial

Small General Service - Standard Rate 202

Monthly Charge	\$ 22.00	Rate Per Therm	
		November - March	\$ 1.01282
		April - October	\$ 0.97566

Small General Service - Value Rate 232

Monthly Charge	\$ 22.00	Rate Per Therm		
		November - March	First 2,000	\$ 0.94869
			Over 2,000	\$ 0.91660
		April - October	First 2,000	\$ 0.84682
			Over 2,000	\$ 0.81790

Medium General Service - Standard Rate 252

Monthly Charge	\$ 75.00	Rate Per Therm	
		November - March	\$ 0.98723
		April - October	\$ 0.94424

Medium General Service - Value Rate 262

Monthly Charge	\$ 75.00	Rate Per Therm		
		November - March	First 5,000	\$ 0.91337
			Over 5,000	\$ 0.87681
		April - October	First 5,000	\$ 0.81486
			Over 5,000	\$ 0.78849

Small General Service - Motor Fuel Rate 242

Monthly Charge *	\$ 22.00	Rate Per Therm		Rate Per GGE **
		November - March	\$ 0.72269	<u>0.91059</u> **
		April - October	\$ 0.70947	<u>0.89393</u> **

* The Monthly Charge for Rate 242 is not applicable to gas service provided at the Company's Premises.

** The Company may bill in units of Gasoline Gallon Equivalent ("GGE") for gas service provided at the Company's Premises under Rate 242. The rates above convert 1.26 Therms to 1 GGE.

Issued by Thomas E. Skains, Chairman, President and CEO
~~Issued by Tom Skains, CEO & President~~
 Issued to comply with the authority granted by
 The Public Service Commission of South Carolina
 GCRM-429

Issued: September 27, 2010
~~September 15, 2010~~
November 1, 2010
 Effective: October 2010

SOUTH CAROLINA RATES AND CHARGES

Industrial

Large General Sales Service - Rate 203

Monthly Charge			\$	250.00
Demand Charge (monthly per peak day therm usage)			\$	1.90000
Rate Per Therm				
	<u>November - March</u>		<u>April - October</u>	
	First 15,000	\$ 0.73685	First 15,000	\$ 0.64342
	Next 15,000	\$ 0.66520	Next 15,000	\$ 0.59480
	Next 75,000	\$ 0.62578	Next 75,000	\$ 0.60274
	Next 165,000	\$ 0.54872	Next 165,000	\$ 0.53015
	Next 330,000	\$ 0.49340	Next 330,000	\$ 0.48840
	Over 600,000	\$ 0.46483	Over 600,000	\$ 0.46483

Interruptible Sales Service - Rate 204

Monthly Charge			\$	250.00
Rate Per Therm				
	<u>November - March</u>		<u>April - October</u>	
	First 15,000	\$ 0.81767	First 15,000	\$ 0.65840
	Next 15,000	\$ 0.74224	Next 15,000	\$ 0.60960
	Next 75,000	\$ 0.69215	Next 75,000	\$ 0.58300
	Next 165,000	\$ 0.71568	Next 165,000	\$ 0.55703
	Next 330,000	\$ 0.59184	Next 330,000	\$ 0.50340
	Over 600,000	\$ 0.50483	Over 600,000	\$ 0.47483

Large General Transportation Service - Rate 213

Monthly Charge			\$	250.00
Demand Charge (monthly per peak day therm usage)			\$	0.60000
Standby Sales Service Charge (monthly per peak day therm usage)			\$	1.30000
Rate Per Therm				
	<u>November - March</u>		<u>April - October</u>	
	First 15,000	\$ 0.25066	First 15,000	\$ 0.17986
	Next 15,000	\$ 0.18374	Next 15,000	\$ 0.13152
	Next 75,000	\$ 0.13735	Next 75,000	\$ 0.10560
	Next 165,000	\$ 0.09372	Next 165,000	\$ 0.07239
	Next 330,000	\$ 0.03840	Next 330,000	\$ 0.03340
	Over 600,000	\$ 0.00983	Over 600,000	\$ 0.00983

Interruptible Transportation Service - Rate 214

Monthly Charge			\$	250.00
Rate Per Therm				
	<u>November - March</u>		<u>April - October</u>	
	First 15,000	\$ 0.25015	First 15,000	\$ 0.17925
	Next 15,000	\$ 0.18310	Next 15,000	\$ 0.13002
	Next 75,000	\$ 0.13455	Next 75,000	\$ 0.09947
	Next 165,000	\$ 0.08634	Next 165,000	\$ 0.06886
	Next 330,000	\$ 0.03932	Next 330,000	\$ 0.05375
	Over 600,000	\$ 0.00983	Over 600,000	\$ 0.00983

Issued by Thomas E. Skains, Chairman, President and CEO

Issued by Tom Skains, CEO & President

Issued to comply with the authority granted by

The Public Service Commission of South Carolina

GCRM-129

Issued:

September 27, 2010

September 16, 2010

November 1, 2010

Effective:

October 2010

SOUTH CAROLINA RATES AND CHARGES

Miscellaneous Fees And Charges

Schedule For Limiting And Curtailing Service - Rate 206

Emergency Service Rate Per Therm	\$ 1.00	In addition to commodity prices as defined in Rate Schedule 206, Rate For Emergency Service.
Unauthorized Over Run Penalty Per Therm	\$ 2.50	In addition to commodity prices as defined in Rate Schedule 206, Rate For Emergency Service.

Reconnect Fees

February Through August	\$ 40.00
September Through January	\$ 60.00

Returned Check Charge

Returned Check Charge	\$ 25.00
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Issued by Thomas E. Skains, Chairman, President and CEO

~~Issued by Tom Skains, CEO & President~~

Issued to comply with the authority granted by
The Public Service Commission of South Carolina
GCRM-129

Issued: September 27, 2010
~~September 16, 2010~~
November 1, 2010
Effective: October 2010

CLEAN RATES AND CHARGES

SOUTH CAROLINA RATES AND CHARGES

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Outdoor Gaslight Service - Rate 205

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SOUTH CAROLINA RATES AND CHARGES

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SOUTH CAROLINA RATES AND CHARGES

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